

22-0900-054

AMENDMENT II

This is an amendment to the Contract 22SC090534 between Imagine Agency, LLC and the South Dakota Department of Health.

I. CONSULTANT

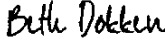
F. Consultant agrees to:

1. The scope of work in the original contract shall now include Medical Cannabis.
2. The contact will increase from \$555,000.00 to \$697,500.00.

II. STATE

- A. State will pay, upon the State's satisfaction that the payments are in accordance with all items of the contract, up to \$697,500.00. Expenditure claims are required prior to the initiation of any and all payments. Expenditure claim documentation may include: invoices for reimbursement; receipts of any goods or services purchased; purchase orders for supplies, equipment, etc.; and/or itemized budget details indicating how and the timeframe in which the funds will be used.
- C. TOTAL CONTRACT AMOUNT (Not to Exceed) \$697,500.00. Payment will be made consistent with SDCL Ch. 5-26.

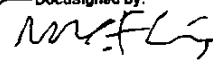
The parties signify their agreement by signing below.

DocuSigned by:

 1CDD4C705CCE447

9/23/2021

Beth Dokken, Director
 Division of Family and Community Health
 Department of Health

Date

DocuSigned by:

 58CE1E6AE53444C6


9/23/2021

Consultant Signature

Date

William Flemming

Print or Type Consultant Name

DocuSigned by:

 81AA69F85BFE428

9/23/2021

Darcy McGuigan, Director
 Division of Finance
 Department of Health

Date

BFleming@ImagineAgency.com

Consultant e-mail address

State Contact Person: Rebecca Piroutek Phone: 605.773.2790

Consultant Contact Person: Holly Riker Phone: 605.341.2385

The following shall be completed by the State:

MSA Account code 5204 _____

Fund Source Name: OD2A	Fund Source Name: Medical Cannabis	Fund Source Name:
CFDA No: 93136	CFDA No:	CFDA No:
Program: 0904006-153 ODP	Program: 0903007	Program: 0901001-
CO: 2018-Federal \$375,000.00	CO: 2018-Federal	CO: 2018-Federal
3047-Other	3047-Other	3047-Other
1000-General	1000-General \$322,500.00	1000-General

SDCL 1-24A-1 states that a copy of all consulting contracts shall be filed by the agency with the State Auditor within five days after such contract is entered into and finally approved by the contracting parties. For further information about consulting contracts, see the State Auditor's policy handbook.

22-0900-054

AMENDMENT I

This is an amendment to the Contract #22SC090534 between , Imagine Agency LLC, 201 Main Street, Suite 205 Rapid City, SD 57701 and the South Dakota Department of Health.

I. CONSULTANT


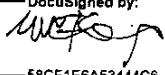
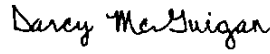
A. The scope of work in the original contract shall now include Medical Cannabis.

B. The contract will increase from \$375,000.00 to \$555,000.00.

II. STATE

B. Contract Amount will not exceed \$555,000.00.

The parties signify their agreement by signing below.

<p>DocuSigned by:  1CD04C705CCE447...</p> <p>Beth Dokken, Director Division of Family and Community Health Department of Health</p>	<p>7/20/2021 Date</p>	<p>DocuSigned by:  58CF1E6A5344AC6...</p> <p>William Fleming Print or Type Consultant Name bffleming@imagineagency.com</p>	<p>7/15/2021 Date</p>
<p>DocuSigned by:  87A3B9F85BFF42B...</p> <p>Darcy McGuigan, Director Division of Finance Department of Health</p>	<p>7/22/2021 Date</p>		

State Contact Person: Rebecca Piroutek Phone: (605) 773-2790

Provider Contact Person: Holly Riker Phone: (605) 341-2385

Fund Source Name: OD2A	Fund Source Name: Medical Cannabis
CFDA No: 93136	CFDA No:
Program 0904006-153 OD P	Program:0903007
CO: 2018 – Federal-\$375,000.00	CO: 2018 – Federal
3047 - Other	3047 - Other
1000 - General	1000 – General- \$180,000.00

<u>2</u>	<u>2</u>	<u>S</u>	<u>C</u>	<u>0</u>	<u>9</u>	⁰⁵³⁴	—	—	—
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STATE OF SOUTH DAKOTA
CONSULTANT CONTRACT
BETWEEN

Imagine Agency, LLC
201 Main Street Suite 206
Rapid City, SD 57701-2856
(605) 341-2388

Referred to as "Consultant"

South Dakota Department of Health
Division of Family and Community Health
Office of Chronic Disease Prev. and Health Prom
600 East Capitol Avenue
Pierre, SD 57501-2536
(605) 773-3361

Referred to as "State"

State and Consultant hereby enter into a contract for Professional Services.

I. CONSULTANT

- A. The term of this Contract shall begin June 1, 2021 and end May 31, 2022.
- B. Consultant is not a full or part-time employee of State or any agency of the state of South Dakota.
- C. Consultant, as an independent contractor, is solely responsible for the withholding and payment of applicable income and Social Security taxes due and owing from money received under this contract.
- D. Consultant will not use equipment, supplies or facilities owned by the state of South Dakota.
- E. Consultant will not purchase capital assets or equipment using State funds.
- F. Consultant agrees to:
 1. Design, plan, and execute the State's Opioid Abuse and Misuse Prevention communications and marketing.
 2. Develop an Opioid Abuse and Misuse Prevention Plan based on program priorities, with specific timelines and deliverables, as agreed upon with the State.
 3. Work with State to place messaging in media outlets statewide as agreed upon with the State, to include:
 - a. Coordinating if requested with the State-designated evaluator in order to make the evaluator aware of media placement schedule before campaigns are executed;
 - b. Processing and paying invoices that result from these purchases in accordance with industry standards. Work with the State to compile a written summary detailing the type of media placed and the total cost of each type. The consultant must provide details of expenditures made per media outlet; and

- c. Provide the State with bonus value summaries to the State's satisfaction to include details of the monetary value of the bonuses received as well as the date and time when the bonus spots were aired upon the State's request. Bonus value summaries document the monetary value and timing of messages placed at no charge to the State or State's designated agents.
 - d. Provide proof of payment (original invoice from media outlet) with every invoice to State for service/advertising charges.
- 4. Continue to provide hosting and maintenance services for avoidopioidsd.com. Website must be easily transferrable to the State computer network or to a third party if necessary, at the end of the contract period. The Consultant must respond to State requests for changes within three (3) days and must provide appropriate contracts for hosting and design changes.
 - 5. Cooperate if requested with State-designated evaluator to conduct quantitative research to determine campaign awareness, impact, and effectiveness.
 - 6. Provide a written quote to the State and obtain prior approval for all costs on a per-project basis unless otherwise agreed upon in writing by the State.
 - 7. Provide invoices satisfactory to the State by the 10th of each month in a format provided by the State.
 - 8. Provide a plan summarizing upcoming media placement within one month of campaign execution. The plan will describe the types of media to be placed and the approximate duration of the campaign.
 - 9. Obtain prior written approval from State for any line item changes to the budget.
 - 10. Provide the State with original electronic files of all materials and work products of the agreement. Such materials shall be delivered to the State upon completion or termination of services under this agreement. Consider all reports, recommendations, documents, drawings, plan specifications, technical data and information, copyrights, patents, licenses, or other products produced as a result of the services rendered under this agreement the property of the State, unless used by the Consultant, is approved in writing by the State of South Dakota.
 - 11. Provide services on a per-project basis in support of the Department of Health Programs.
 - 12. Attend State and national meetings as requested by the State.

G. **INSURANCE:** Consultant agrees, at its sole cost and expense, to maintain the following insurance:

- 1. Commercial General Liability Insurance:
Consultant shall maintain occurrence based commercial general liability insurance or equivalent form with a limit of not less than \$1,000,000 each occurrence. If such insurance contains a general aggregate limit it shall apply separately to this contract or be no less than two times the occurrence limit.

- 2. Professional Liability Insurance:

Consultant shall procure and maintain professional liability insurance with a limit of not less than one million dollars.

3. Business Automobile Liability Insurance:

Consultant shall maintain business automobile liability insurance or equivalent form with a limit of not less than \$1,000,000 each accident. Such insurance shall include coverage for owned, hired and non-owned vehicles.

4. Worker's Compensation Insurance:

Consultant shall procure and maintain workers' compensation and employers' liability insurance as required by South Dakota law.

5. Certificates of Insurance:

Before beginning work under this Contract, Consultant shall furnish State with properly executed Certificates of Insurance which shall clearly evidence all insurance required in this Contract. In the event of a substantial change in insurance, issuance of a new policy, cancellation or nonrenewal of the policy, Consultant agrees to provide immediate notice to the State and provide a new certificate of insurance showing continuous coverage in the amounts required. Consultant shall furnish copies of insurance policies if requested by State.

H. Consultant agrees to indemnify and hold the State of South Dakota, its officers, agents and employees, harmless from and against any and all actions, suits, damages, liability or other proceedings that may arise as a result of performing services hereunder. This section does not require Consultant to be responsible for or defend against claims or damages arising solely from acts or omissions of the State, its officers, agents or employees.

I. This contract does not require Consultant to engage in a function or activity involving the use or disclosure of State's Protected Health Information (PHI), as defined in the Health Insurance Portability and Accountability Act (HIPAA), 45 CFR § 160.103.

II. STATE

A. State will pay, upon the State's satisfaction that the payments are in accordance with all items of the contract, up to \$375,000.00. Expenditure claims are required prior to the initiation of any and all payments. Expenditure claim documentation may include: invoices for reimbursement; receipts of any goods or services purchased; purchase orders for supplies, equipment, etc.; and/or itemized budget details indicating how and the timeframe in which the funds will be used.

Travel expenses will be reimbursed at state rates as defined in South Dakota Administrative Rules 05:01:02:14 (In State Per Diem) and 05:01:02:11 (Out of State Per Diem), found at <http://sdlegislature.gov/rules/RulesList.aspx>.

B. TOTAL CONTRACT AMOUNT (Not to Exceed) \$375,000.00. Payment will be made consistent with SDCL Ch. 5-26.

C. State will not be held liable for reimbursement of amounts shown on an itemized billing if not received within 30 calendar days from the close of the month being reported. However, the final invoice of the State of South Dakota fiscal year, ending every year on June 30th, shall be submitted no later than June 9th so payment may be made in the same Fiscal Year as the services are provided.

D. State agrees to:

1. To pay invoice in a timely manor.

b. OTHER PROVISIONS

- A. CHOICE OF LAW AND FORUM. The terms and conditions of this contract are subject to and will be construed under the laws of the State of South Dakota. The parties further agree that any dispute arising from the terms and conditions of this contract, which cannot be resolved by mutual agreement, will be tried in the Sixth Judicial Circuit Court, Hughes County, South Dakota.
- B. INTEGRATION. This contract is a complete version of the entire agreement between the parties with respect to the subject matter within this contract and supersedes all prior or contemporaneous written or oral understandings, agreements and communications between them with respect to such subject matter. This contract may be modified or amended only by a writing signed by both parties.
- C. TERMINATION: This contract may be terminated by either party hereto upon thirty (30) days written notice, and may be terminated by State for cause at any time, with or without notice.
- D. NOTICE: Any notice or other communication required under this contract shall be in writing and sent to the address set forth above. Notices shall be given by and to the State Contact Person on behalf of State, and by and to the Consultant Contact Person on behalf of Consultant, or such authorized designees as either party may from time to time designate in writing. Notices or communications to or between the parties shall be deemed to have been delivered when mailed by first class mail, provided that notice of default or termination shall be sent by registered or certified mail, or, if personally delivered, when received by such party.
- E. ASSURANCES: The Consultant agrees to abide by all applicable provisions of the following assurances: Lobbying Activity, Byrd Anti Lobbying Amendment (31 USC 1352), Drug-Free Workplace, Executive Order 11246 Equal Employment Opportunity, Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, Drug Abuse Office and Treatment Act of 1972, Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, Age Discrimination Act of 1975, Americans with Disabilities Act of 1990, Pro-Children Act of 1994, Hatch Act, Health Insurance Portability and Accountability Act (HIPAA) of 1996, Clean Air Act, Federal Water Pollution Control Act, Charitable Choice Provisions and Regulations, Equal Treatment for Faith-Based Religions at Title 28 Code of Federal Regulations Part 38, the Violence Against Women Reauthorization Act of 2013, American Recovery and Reinvestment Act of 2009, and Section 106 (g) of the Trafficking Victims Protection Act of 2002, as amended (22 U.S.C. 7104) as applicable.
- F. RESTRICTION OF BOYCOTT OF ISRAEL: Pursuant Executive Order 2021-01, for contractors, vendors, supplies, or subcontracts with five (5) or more employees who enter into a contract with the State of South Dakota that involves the expenditure of one hundred thousand dollars (\$100,000) or more, by signing this contract Consultant certifies and agrees that it has not refused to transact business activities, have not terminated business activities, and have not taken other similar actions intended to limit its commercial relations, related to the subject matter of the contract, with a person or entity that is either the State of Israel, or a company doing business in or with Israel or authorized by, licensed by, or organized under the laws of the State of Israel to do business, or doing business in the State of Israel, with the specific intent to accomplish a boycott or divestment of Israel in a discriminatory manner. It is understood and agreed that, if this certification is false, such false certification will constitute grounds for State to terminate this contract. Consultant further agrees to provide immediate written notice to State if during the term of the contract it no longer complies with this certification, and agrees such noncompliance may be grounds for contract termination.
- G. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION: Consultant agrees that neither Consultant, nor any of Consultant's principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in transactions by any Federal department or agency. Consultant will provide immediate written notice to the Department of Health, Division of Administration (600 East Capitol Avenue, Pierre, SD 57501 (605) 773-3361), if Consultant, or any of Consultant's principals, becomes debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in transactions involving Federal funding. Consultant further agrees that if this contract involves federal funds or federally mandated compliance, then Consultant is in compliance with all applicable regulations pursuant to Executive Order 12549, including Debarment and Suspension and Participants' Responsibilities, 29 C.F.R. § 98.510 (1990).

- H. **FUNDING TERMINATION:** This contract depends upon the continued availability of appropriated funds and expenditure authority from Congress, the Legislature or the Executive Branch for this purpose. This contract will be terminated for cause by State if Congress, the Legislature or Executive Branch fails to appropriate funds, terminates funding or does not grant expenditure authority. Funding termination is not a default by State nor does it give rise to a claim against State.
- I. **NONASSIGNMENT/SUBCONTRACTING:** Consultant shall not assign this contract, or any portion thereof, without the prior written consent of State. Consultant's assignment or attempted assignment of this contract, or any portion thereof, without State's prior written consent constitutes a material breach of contract. The Consultant may not use subcontractors to perform the services described herein without the express prior written consent of State. Consultant will include provisions in its subcontracts requiring its subcontractors to comply with the applicable provisions of this Agreement, to indemnify the State, and to provide insurance coverage in a manner consistent with this Agreement. Consultant will cause its subcontractors, agents, and employees to comply with applicable federal, state and local laws, regulations, ordinances, guidelines, permits and requirements and will adopt such review and inspection procedures as are necessary to assure such compliance.
- J. **FEDERAL AND STATE LAWS:** Consultant agrees that it will comply with all federal and state laws, rules and regulations as they may apply to the provision of services pursuant to this contract, including the Americans with Disabilities Act (ADA) of 1990, 42 U.S.C. §§ 12101-12213, and any amendment thereto, Section 306 of the Clean Air Act, and Section 508 of the Clean Water Act. Both parties further agree to provide services covered by this contract without regard to race, color, national origin, sex, age or disability as prohibited by state or federal law.
- K. **OWNERSHIP:** All reports, recommendations, documents, drawings, plans, specifications, technical data and information, copyrights, patents, licenses, or other products produced as a result of the services rendered under this contract, excluding medical records kept in the normal course of Consultant's business, will become the sole property of State. State hereby grants Consultant the unrestricted right to retain copies of and use these materials and the information contained therein in the normal course of Consultant's business for any lawful purpose. Either the originals, or reproducible copies satisfactory to State, of all technical data, evaluations, reports and other work product of Consultant shall be delivered to State upon completion or termination of services under this contract.
- L. **REPORTING OF PERSONAL INJURIES AND/OR PROPERTY DAMAGE:** Consultant agrees to report promptly to State any event encountered in the course of performance of this contract which results in injury to the person or property of third parties, or which may otherwise subject Consultant or State to liability. Reporting to State under this section does not satisfy Consultant's obligation to report any event to law enforcement or other entities as required by law.
- M. **SEVERABILITY:** In the event that any term or provision of this contract shall violate any applicable law, such provision does not invalidate any other provision hereof.
- N. **AUDIT REQUIREMENTS:**
(EXPENDING \$750,000 OR MORE)
A nonprofit subrecipient, (as well as profit hospitals) (Consultant), expending \$750,000 or more in one year in Federal awards, must have an annual audit made in accordance with 2 CFR Chapter I, Chapter II, Part 200, et al. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- All audits must be conducted by an auditor approved by the Auditor General to perform the audit. Approval may be obtained by forwarding a copy of the audit engagement letter to the Department of Legislative Audit, 427 South Chapelle, c/o 500 East Capitol, Pierre, SD 57501-5070. On continuing engagements, the Auditor General's approval should be obtained annually. The auditor must follow the Auditor General's guidelines when conducting the audit. The draft audit report must be submitted to the Auditor General for approval prior to issuing the final report. The auditor must file the requested copies of the final audit report with the Auditor General. Audits shall be completed and filed with granting agencies by the end of the ninth month following the end of the fiscal year being audited or 30 days after receipt of the auditor's report, whichever is earlier. If it appears that a required audit cannot be completed by the end of the ninth month following your fiscal year, you must request an extension from the federal agency for which the majority of federal expenditures relates.
- Failure to complete audit(s) as required will result in the disallowance of audit costs as direct or indirect charges to programs. Additionally, a percentage of awards may be withheld, overhead costs may be disallowed, and/or awards may be suspended, until the audit is completed satisfactorily.
- O. **FORCE MAJEURE:** Neither Consultant nor State shall be liable to the other for any delay in, or failure of performance of, any covenant or promise contained in this contract, nor shall any delay or failure constitute default or give rise to any liability for damages if, and only to the extent that, such delay or failure is caused by "force majeure". As used in this contract, "force majeure" means acts of God, acts of the public enemy, acts of the State and any governmental entity in its sovereign capacity, fires, floods, epidemics, quarantine restrictions, strikes or other labor disputes, freight embargoes, or unusually severe weather.
- P. **CONTRACT ORIGINAL AND COPIES:** An original of this contract will be retained by the State Auditor's Office. A photocopy will be on file with the South Dakota Department of Health and a second original will be sent to Consultant.
- Q. **RECORD RETENTION/EXAMINATION:** Consultant agrees to maintain all records that are pertinent to this contract and retain them for a period of three years following final payment against the contract. State agrees to assume responsibility for these items after that time period. These records shall be subject at all reasonable times for inspection, review or audit by State, other personnel duly authorized by State, and federal officials so authorized by law.

- R. **LICENSING AND COMPLIANCE:** The Consultant agrees to comply in full with all licensing and other standards required by Federal, State, County, City or Tribal statute, regulation or ordinance in which the service and/or care is provided for the duration of this agreement. The Consultant will maintain effective internal controls in managing the federal award. Liability resulting from noncompliance with licensing and other standards required by Federal, State, County, City or Tribal statute, regulation or ordinance or through the Consultant's failure to ensure the safety of all individuals served is assumed entirely by the Consultant.
- S. **CONFIDENTIALITY OF INFORMATION:** For the purpose of the sub-paragraph, "State Proprietary Information" shall include all information disclosed to the Consultant by the State. Consultant acknowledges that it shall have a duty to not disclose any State Proprietary Information to any third person for any reason without the express written permission of a State officer or employee with authority to authorize the disclosure. Consultant shall not: (i) disclose any State Proprietary Information to any third person unless otherwise specifically allowed under this contract; (ii) make any use of State Proprietary Information except to exercise rights and perform obligations under this contract; (iii) make State Proprietary Information available to any of its employees, officers, agents or consultants except those who have agreed to obligations of confidentiality at least as strict as those set out in this contract and who have a need to know such information. Consultant is held to the same standard of care in guarding State Proprietary Information as it applies to its own confidential or proprietary information and materials of a similar nature, and no less than holding State Proprietary Information in the strictest confidence. Consultant shall protect confidentiality of the State's information from the time of receipt to the time that such information is either returned to the State or destroyed to the extent that it cannot be recalled or reproduced. State Proprietary Information shall not include information that (i) was in the public domain at the time it was disclosed to Consultant; (ii) was known to Consultant without restriction at the time of disclosure from the State; (iii) that is disclosed with the prior written approval of State's officers or employees having authority to disclose such information; (iv) was independently developed by Consultant without the benefit or influence of the State's information; (v) becomes known to Consultant without restriction from a source not connected to the State of South Dakota. State's Proprietary Information shall include names, social security numbers, employer numbers, addresses and all other data about applicants, employers or other clients to whom the State provides services of any kind. Consultant understands that this information is confidential and protected under applicable State law at SDCL 1-27-1.5, modified by SDCL 1-27-1.6, SDCL 28-1-29, SDCL 28-1-32, and SDCL 28-1-68 as applicable federal regulation and agrees to immediately notify the State if the information is disclosure, either intentionally or inadvertently. The parties mutually agree that neither of them shall disclose the contents of the contract except as required by applicable law or as necessary to carry out the terms of the contract or to enforce that party's rights under this contract. Consultant acknowledges that the State and its agencies are public entities and thus are bound by South Dakota open meetings and open records laws. It is therefore not a breach of this contract for the State to take any action that the State reasonably believes is necessary to comply with the South Dakota open records or open meetings laws. If work assignments performed in the course of this Agreement require additional security requirements or clearance, the Consultant will be required to undergo investigation.
- T. **CONFLICT OF INTEREST:** Provider agrees to establish safeguards to prohibit employees or other persons from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain as contemplated by SDCL 5-18A-17 through 5-18A-17.6. Any potential conflict of interest must be disclosed in writing. In the event of a conflict of interest, the Provider expressly agrees to be bound by the conflict resolution process set forth in SDCL 5-18A-17 through 5-18A-17.6.
- U. **RECYCLING:** State strongly encourages Consultant to establish a recycling program to help preserve our natural resources and reduce the need for additional landfill space.

The parties signify their agreement by signing below.

DocuSigned by:
Beth Dokken 5/19/2021
 Beth Dokken, Director
 Division of Family and Community Health
 Department of Health

DocuSigned by:
William Fleming 5/17/2021
 Consultant Signature Date

William Flemming
 Print or Type Consultant Name

DocuSigned by:
Darcy McGuigan 5/19/2021
 Darcy McGuigan, Director
 Division of Finance
 Department of Health

bflemming@imagineagency.com
 Consultant e-mail address

State Contact Person: Rebecca Piroutek Phone: 605-773 2790

Consultant Contact Person: Holly Riker Phone: 605-341 2388

The following shall be completed by the Consultant:

Nonprofit ☐ Profit ☐
 Consultant fiscal year beginning _____ and ending _____

The following shall be completed by the State:

MSA Account code 5 2 0 4 _____

Fund Source Name: OD2A	Fund Source Name:	Fund Source Name:
CFDA No: 93136	CFDA No:	CFDA No:
Program: 0904006-153 OD P	Program: 0901001-	Program: 0901001-
CO: 2018-Federal \$375,000.00	CO: 2018-Federal	CO: 2018-Federal
3047-Other	3047-Other	3047-Other
1000-General	1000-General	1000-General

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